

# The Gazette of India

EXTRAORDINARY

PART I—Section 1

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MINISTRY OF COMMERCE & INDUSTRY

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 12th January 1960

**SUBJECT:**—*Import of tobacco from U.S.A. under the Agricultural Commodities Agreement between the U.S.A. and India under U.S. Title I of the Agricultural Trade Development and Assistance Act of 1954 as amended. (U.S. P.L. 480).*

**No. 5-ITC(PN)/60.**—Attention of the Importers is invited to Ministry of Commerce and Industry Public Notice No. 60-ITC(PN)/58 dated 12th July, 1958, setting out the general procedure applicable to imports of unmanufactured tobacco from U.S.A. under the Agricultural Commodities Agreement between the U.S.A. and India. The procedure outlined in Public Notice No. 60-ITC(PN)/58 dated 12th July, 1958, with necessary modifications will be applicable to imports of unmanufactured tobacco from U.S.A. against fresh Purchase Authorisation No. P.A.39-36 dated 8th December, 1959 issued by the U.S. Government.

2. A fresh Purchase Authorisation No. PA-39-36 dated 8th December, 1959 (Annexure I) has been issued by the U.S. Government for approximately 230 metric tons of unmanufactured tobacco from 1959 or prior crop year for the amount of \$ 5,07,500.00. As specified in this Purchase Authorisation, the contracting period will be from the 15th December, 1959, to the 31st May, 1960, and the delivery period will be from the 15th December, 1959, to the 30th June, 1960. The conditions specified in this Purchase Authorisation are reproduced in Annexure I to this Public Notice. The importers should fully familiarise themselves with all the regulations and provisions of Purchase Authorisation No. PA-39-36 and should ensure by informing their suppliers in U.S.A. that none of the regulations governing the sale of unmanufactured tobacco issued by the U.S. Department of Agriculture are violated.

3. Against the aforesaid Purchase Authorisation, the Government of India will issue import permits (hereinafter referred to as sub-authorisations) in the form reproduced in Annexure II which will be governed by the conditions reproduced in Annexure III. Any further conditions that may become necessary to govern the said imports will be published from time to time.

4. Importers will be permitted to purchase tobacco covered by the above sub-authorisation from the open market in the U.S.A.

5. The price must specifically be stated in the contracts entered into by Importers in India with suppliers in the U.S.A.

6. Applications will be entertained for import of unmanufactured tobacco from 1959 or prior crop year from U.S.A. required for cigarette manufacture, pipe tobacco and cigar wrapper tobacco from Actual Users only. Such applications shall be made by registered post with acknowledgement due to C.C.I. & E., New Delhi. in the usual way giving the following information:—

- |                        |                  |
|------------------------|------------------|
| (a) Importer's grades. | Quantity in Lbs. |
| 1. ....                | 1. ....          |
| 2. ....                | 2. ....          |
- (b) C.I.F. price of the goods in dollars and approximate rupee equivalent.  
 (c) approximate cost of ocean transport included in (b) above.  
 (d) Ports of entry in India.  
 (e) Name and address of the importer's Bank in India.

Every application should be accompanied by a Bank guarantee in the following form:—

"We hereby guarantee that in respect of tobacco imported under the sub-authorisation granted in terms of this application, the rupee equivalent of the net dollar disbursement made by the U.S. Bank under the Letters of Credit established against the Letter of Commitment issued by the Commodity Credit Corporation at the rate of exchange indicated in U.S. dollar rate list issued by the State Bank of India, Foreign Department, Calcutta, on the date of the dollar disbursement by U.S. Bank, will be deposited into the U.S. Embassy Title Account in the State Bank of India, New Delhi, immediately on receipt of the shipping documents".

7. As soon as the rupee equivalent of the net dollar disbursement is deposited into the U.S. Title Account, the Importer's Bank in India must inform the C.C.I. & E., New Delhi accordingly, enclosing the receipts from the State Bank therefor and indicating other information as follows:—

- (i) Name of the importer
- (ii) Purchase Authorisation number.
- (iii) Letter of Credit number.
- (iv) Sub-authorisation number.
- (v) Name of the vessel.
- (vi) Quantity of unmanufactured tobacco covered by the dollar disbursement.
- (vii) Dollar amount disbursed by U.S. Bank.
- (viii) Date of dollar disbursement by U.S. Bank.
- (ix) Exchange rate current on the date of dollar Disbursement, as notified by the State Bank of India, Foreign Department, Calcutta.
- (x) Rupee equivalent of the dollar disbursement calculated at the rate of exchange current on the date of dollar disbursement as notified by the State Bank of India, Foreign Department, Calcutta.
- (xi) Amount of rupees deposited.
- (xii) Date of deposit.
- (xiii) Amount of money remitted on account of ocean transportation costs not financed by the C.C.C.

This information should also be repeated to the Disbursing Officer, U.S. Embassy, New Delhi (in duplicate) and to the Department of Economic Affairs, Ministry of Finance, New Delhi (one copy). It will be the sole responsibility of the Importers and/or their bankers in India to deposit the correct rupee amount into the U.S. Title Account. The C.C.I. & E. may release the bank guarantee after he is satisfied that the amount has been correctly deposited in the U.S. account.

8. As soon as a sub-authorisation is issued, the importer should request his bank in India referred to in the sub-authorisation through the C.C.I. & E., New Delhi, to arrange for the issuance of a letter of Credit on the "U.S. Bank" referred to in the said sub-authorisation. The "U.S. Bank" which has been designated to operate the dollar line of credit against the PA-39-36 dated 8th December 1959 is "Chemical Bank New York Trust Co., New York (N.Y.)". The C.C.I. & E., New

Delhi, will then inform the said U.S. Bank of the names of the Importer's Bank in India authorised to open letter of credit against each sub-authorisation, indicating at the same time—

- (i) Purchase Authorisation No.
- (ii) Sub-Authorisation No.
- (iii) Amount in dollars etc.

Cable charges will be recovered from the Importer. Importer's Bank in India will then arrange with the designated U.S. Bank for the establishment of letters of credit in favour of the supplier concerned within the amount allocated.

9. The shipping documents will, as usual, be sent by the "U.S. Bank" to the "Bank in India". The "Bank in India" will credit the rupee equivalent of the net dollar disbursements made by the U.S. Bank under the letters of credit established against a letter of commitment issued by the Commodity Credit Corporation at the rate of exchange prevalent on the date of dollar disbursement by the U.S. Bank into the U.S. Embassy Title Account in the State Bank of India, New Delhi. This rate of exchange will be the rate indicated for that date in the U.S. dollar rate lists issued by the State Bank of India, Foreign Department, Calcutta, which are circulated to all offices of the Bank.

10. In the event of a complaint by the Importer, the Importer should send to the C.C.I. & E., New Delhi, Agricultural Attache, U.S. Embassy, New Delhi, and Economic Affairs Department, Ministry of Finance, New Delhi, a copy each of the impartial controller's report or arbitrator's report, if any, and the habit note in respect of the claims for damage or deficiency. Claims shall be settled by payment in U.S. dollars, the payment being remitted by the supplier to the concerned bank in India of the importer for the account of the importer. This bank is to be named by the Importer on his notice of claims. Immediately upon settlement of claim for damage and deficiency in quality and weight, the Importer should notify the C.C.I. & E., New Delhi of the details. *It is imperative that importers should receive the dollar claims in India and should in no case arrange for their being credited to their accounts with the suppliers.*

11. The issue of sub-authorisations will be stopped immediately the monetary ceiling allocated for this purpose is reached.

12. Applications may be made to C.C.I. & E., New Delhi, on an immediate basis.

ANNEXURE I TO PUBLIC NOTICE NO. 5-ITC(PN)/60, DATED 12TH JANUARY 1960

AUTHORIZATION NO. 39-36.

TOBACCO.

COUNTRY: INDIA.

### SPECIAL PROVISIONS

(1) **Quantity and Commodity.**—Approximately 230 metric tons of unmanufactured tobacco from the 1959 or prior crop year.

(2) **Contracting.**—Only contracts entered into between importers and suppliers on or after 7 calendar days after the date of issuance of this authorization and on or before May 31, 1960, will be eligible for financing hereunder. The Government of India shall instruct its importers to contract in accordance with the Regulations, the provisions of this authorization and the following:—

- (a) The unmanufactured tobacco shall not include cigar cuttings, scrap, siftings, stems, trimmings and homogenized leaf.

(3) **Delivery.**—To importer, C. & F. or C.I.F. Indian port(s), or f.a.s. vessel U.S. [port(s)]. Shipments from U.S. port(s) may be made on or after 7 calendar days after the date of insurance of this authorization out not later than June 30, 1960.

(4) **Documentation.**—In addition to the documentation required in the Regulations, the following:—

- (a) The invoice shall contain the following certification signed by the supplier:

"The undersigned hereby certifies that the unmanufactured tobacco represented on this invoice does not contain cigar cuttings, scrap, sifting, stems, trimmings or homogenized leaf".

(5) **Deposit of Local Currency.**—The Government of India shall provide for the deposit of Indian rupees with the United States Disbursing Officer, United States Embassy, New Delhi, India in accordance with Section 11.4(d)(10) of the Regulations. The documentation to be furnished to the United States Disbursing Officer for each deposit shall be in duplicate.

(6) **Ocean Transportation.**—Unless otherwise authorized by the Director Transportation and Storage Services Division, Commodity Stabilization Service, U.S. Department of Agriculture, Washington 25, D.C., at least 50 per cent of the tonnage of the tobacco purchased hereunder will be required to be shipped on privately owned United States-flag commercial vessels in accordance with the provisions of Public Law 664, 83rd Congress. Advance approval of charters and bookings must be obtained. This may be done by telephone (DUDley 8-4314) or telegram provided CCC Form 105 confirming the information supplied by telephone or telegram is furnished promptly. CCC 106-1 "Advice of Vessel Approval" will be issued by USDA for each vessel approved and will indicate whether or not the cost of ocean transportation thereon will be financed by CCC.

(7) **CSS Office.**—The CSS Office which will administer this financing operation on behalf of CCC is:

Fiscal Division,  
Commodity Stabilization Service  
U. S. Department of Agriculture  
Washington 25, D.C.

ANNEXURE II TO PUBLIC NOTICE No. 5-ITC(PN)/60, DATED THE 12TH JANUARY 1960

SUB-AUTHORISATION NO. ....

GOVERNMENT OF INDIA

IMPORT TRADE CONTROL

**IMPORT PERMIT**

(Tobacco Imports from U.S.A.)

Issued under the provisions of Imports and Exports (Control) Act 1947, as amended from time to time and without prejudice to the application of any other prohibition or regulation affecting the importation of tobacco which may be in force at the time of its arrival.

The Government of India are pleased to permit

Messrs. ....  
Address .....

Income tax verification No. ....

to import tobacco subject to the conditions prescribed in Ministry of Commerce & Industry Public Notice No. 5-ITC(PN)/60 dated 12th January 1960 and any other condition that may further be prescribed in this behalf by the Government of India from time to time through Official Gazette.

Description of Commodity .....

Importer's grades of tobacco. Approximate quantity in lbs.

(i) ..... (i) .....

(ii) ..... (ii) .....

Source U.S.A.

Contracting period from ..... ending .....

Delivery period from ..... ending .....

(period of shipment)

Amount of Dollars sub-authorized: U.S. Dollars .....

Rupee equivalent: Rs. ....

Banking Institution to handle financing:

Bank in India .....

U.S. Bank .....

Basis of Delivery .....

Ports of entry into India .....

for Chief Controller of Imports & Exports.

ANNEXURE III TO PUBLIC NOTICE NO. 5-ITC(PN)/60, DATED 12TH JANUARY 1960

1. General.—

(a) For imports under this programme the sub-authorisation will be issued in duplicate, one for customs and the other for the rupee payments.

(b) The sub-authorisation is not transferable except with the permission of Chief Controller of Imports & Exports or a person duly authorised by him.

(c) Any unauthorised alteration or erasure in this permit shall render it null and void.

(d) No remittance of foreign exchange is to be made against the sub-authorisation except to the extent specified in para 2(e), (ii) below but the importer is required to deposit the Rupees as specified in the notice.

(e) The Chief Controller of Imports & Exports may supplement modify or revoke the sub-authorisation at any time under special consideration.

2. Contract with Suppliers (Exports).—

(a) The contract shall be entered into only during the period specified in the sub-authorisation.

(b) The shipment shall take place during the period specified in the sub-authorisation.

(c) The importer should inform the supplier that the transactions will be financed in terms of the Agricultural Commodities Agreement between the Government of the United States and the Government of India signed under the United States, Public Law 480. The importer and the supplier must strictly follow the Regulations governing the financing of surplus agricultural Commodities for Foreign Currencies issued by the U.S. Department of Agriculture. The importer should also intimate to the supplier the Purchase Authorisation No. and instruct him of the special provisions for carrying out the transactions.

(d) Within a fortnight of the expiry of the contracting period mentioned in the sub-authorisation, the importer shall report to the Chief Controller of Imports and Exports, Ministry of Commerce and Industry, New Delhi, the total value of the goods contracted for, mentioning the S. No. of the sub-authorisation. If no report is received by the due date, it will be presumed that no contract has been entered into and the sub-authorisation shall be treated as cancelled.

(e) The importer must advise the supplier that unless otherwise authorised by the Director, Transportation and Storage Services Division, Commodity Stabilization Service, U.S. Department of Agriculture, Washington, 25 D.C., at least 50% of the tonnage of tobacco-purchased hereunder must be shipped on privately owned U.S. flag commercial vessels. The remaining 50% can be shipped on non-U.S. flag vessels. For full instructions in this connection, please refer to the conditions specified in Purchase Authorisation (Annexure I) according to which advance approval of charters and bookings must be obtained. Further procedure may be as below:—

(i) *Ocean Transportation by U.S. flag vessels*.—In this case the ocean transportation will be financed by Commodity Credit Corporation for C. & F. or C.I.F. contracts, as part of the commodity unit cost therein under the export letter of credit. The approval obtained by the supplier for vessel booking will state the amount of ocean freight differential, if any, which the Commodity Credit Corporation will recognize and absorb as existing between the prevailing foreign flag vessel rate and U.S. flag vessel rate. The amount of such a differential will be paid separately to the suppliers by the Commodity Credit Corporation and such amount must not, therefore, be included in the suppliers net invoice price to be financed under the export letter of credit. The deposit into the U.S. Title Account by the importer's Bank in India will be the rupee equivalent of the net C. & F. or C.I.F. dollar cost which will be paid by the U.S. banks under the Export letter of credit. Rupee deposit shall not be made in the U.S. Title Account for the amount of ocean freight differential recognised by the C.C.C.

(ii) *Ocean Transportation by non-U.S. flag vessels*.—It is for the importer to arrange with the supplier the type of the contract he desires. The payment for freight on such transportation will not be made by the Commodity Credit Corporation under the export letter of credit but the importer will have to bear ocean freight himself. The necessary foreign exchange will be made available by the importer for such payment. Where ocean transportation is covered by

the commodity unit price as in the case of C. & F. and C.I.F. contracts, a deduction for ocean transportation is to be shown on the suppliers' detailed invoice covering the commodity shipped on such vessel. The deposit in the U.S. Title Account by the importer's bank in India will be the rupee equivalent of the net dollar cost (excluding the ocean freight) which will be paid by the U.S. banks to the suppliers under the export letter of credit.

(f) The importer shall advise the shipper to airmail at the time of loading two copies or photo-stats of the ocean or charter party bill of lading or airway bill to the Chief Controller of Imports and Exports, Ministry of Commerce and Industry, New Delhi.

(g) The contract with the supplier should provide that payment shall be by cash against sight draft supported by necessary documents on a banking institution, indicated in the sub-authorisation, in the United States.

(h) Other conditions will be as specified in Purchase Authorisation (Annexure I).

### 3. Purchase Price.—

The purchase in U.S.A. can be made freely at the prevailing U.S. market price:  
**SUBJECT:—Imports of hides and skins, raw or salted, falling under S. No. 144/IV from Afghanistan.**

**No. 6-ITC(PN)/60.**—Attention is invited to the Ministry of Commerce and Industry, Import Trade Control Order No. 15/59 dated the 21st November, 1959 in which the Open General Licence LIX published by the Government of India Ministry of Commerce and Industry Order No. 13/59 dated the 30th September, 1959 has been cancelled.

2. It has now been decided that permits for the import of hides and skins, raw or salted, falling under S. No. 144/IV will be issued freely both to established importers and new comers, who should get themselves registered with the Deputy Chief Controller of Imports & Exports (Central Licensing Area), New Delhi and the Joint Chief Controller of Imports and Exports, Bombay. The intending importers should apply for registration to the Deputy Chief Controller of Imports & Exports (Central Licensing Area), New Delhi/Joint Chief Controller of Imports & Exports, Bombay upto the 31st January, 1960, as the case may be giving the following particulars:—

1. Name and address of the firm.
2. Name of proprietor, partners, directors.
3. Branches, if any, and addresses thereof.
4. Statements of imports, if any, of hides and skins from Afghanistan or any other country during the last two years.
5. Bank's certificate showing the applicant's ability to invest money in import business.

3. After issue of the registration certificate, the registered importer may apply for permits to the Deputy Chief Controller of Imports & Exports, (Central Licensing Area), New Delhi/Joint Chief Controller of Imports & Exports, Bombay upto the 29th February, 1960. Permits will be granted for a reasonable value according to the ability of the applicant to import the goods from Afghanistan subject to the condition that the payment of imports made thereunder will be credited to the Special Rupee Account of the Da Afghanistan Bank, Kabul opened with the State Bank of India, New Delhi, within six months from the date of importation. Permits for import of Hides and Skins from Afghanistan granted under this provision will be valid to cover despatches of goods from Afghanistan upto the 31st March, 1960.

(Sd.) K. T. SATARAWALA,  
 Chief Controller of Imports & Exports.